



## Nission

Founded in 1975, SACTO's mission is to recruit and grow high-value investment in the Sacramento Region. A private, non-profit, and membersupported organization, SACTO serves six counties-El Dorado, Placer, Sacramento, Sutter, Yolo, and Yubaand 23 cities.

# Positioning Statement

SACTO is the Sacramento Region's leading facilitator of economic development. It brings together the organizations, information, and resources in the pursuit of jobs, talent, and investment needed to ensure regional prosperity and global competitiveness.

### Value

Over the last 33 years, SACTO has assisted hundreds of companies locate and expand in the Sacramento Region, generating billions of dollars of investment and strengthening our economy. Today the organization continues to create opportunities through focus and fulfillment of its mission.

# MESSAGE FROM THE CHAIRMAN "'Building a First-Tier Economy' has been instrumental in strengthening our regional economy and elevating the Sacramento Region on the global stage." Jeffrey M. Koewler, Downey Brand Attorneys LLP

2006/2008 SACTO Chair

SACTO'S FIVE-YEAR STRATEGIC PLAN "Building a First-Tier Economy" continued to guide our efforts during this fiscal year. Adopted in Fall 2005, this comprehensive business attraction and marketing plan has been instrumental in strengthening our regional economy and elevating the Sacramento Region on the global stage. This has been a year filled with many successes, and we are well on our way to achieving the overall goals set forth in the four strategies developed through the Strategic Plan: attract and grow high-value headquarter jobs, brand and market the Region as a first-tier market, provide regional leadership in executing a regional economic development strategy, and benchmark the Region's

In the pages that follow, you will find a detailed review of SACTO's most significant accomplishments competitive position. in 2007/2008, including:

- ◆ The recruitment of six new companies to the Region with a potential regional economic ripple effect of 7.000 jobs, \$690 million in total added value, \$1.8 billion in output, \$453 million in employee compensation, and \$75 million in state and local taxes.
  - SACTO's "Grow From Within" strategy, focused on developing headquarter companies within the Region, and yielded tangible results through UC Davis' InnovationAccess Little Bang! awards program and other initiatives.
  - Business attraction efforts that focused on the clean energy technology sector continued to pay dividends with nearly 60 percent of SACTO prospects now in this sector—up from 5 percent

- Strategic marketing and branding efforts designed to maximize the Sacramento Region's exposure in key national, international, and trade media outlets resulted in 2,098,000 print impressions and online exposure to 35,411,000 visitors in top-tier media.
  - One of three founding partners, SACTO continues to provide regional leadership for Partnership for Prosperity's (PFP) Business Plan for the Sacramento Region.
  - The Prosperity Index was developed to benchmark the Sacramento Region's competitive position and identify opportunities for improvement. Since its introduction in 2005. there have been two annual updates to the overall Prosperity Index and 12 quarterly updates to its Business component.

Building a First-Tier Economy will continue to be at the forefront of our efforts in the year ahead. A longterm strategic plan such as this would not be possible without the support of the SACTO membership, and I want to recognize and thank my fellow SACTO members for their contribution of time, expertise, and financial support. Together, we have accomplished a great deal over the past year, and we have many exciting opportunities to look forward to in 2008/2009.

### VALUE & QUALITY

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## Building a First-Tier Econophy Strategy One:

Goal: Strengthen and expand business recruitment efforts to capture quality economic opportunities for the Sacramento Region with an emphasis on high-value and headquarter companies.

SACTO's strategic alliance with regional economic development partners provides businesses with the resources necessary to evaluate, plan, and implement a site location or expansion in the Sacramento Region. Through this network, SACTO assisted six companies with locations in the six-county Sacramento Region. Once fully functioning, these companies could bring over 1,200 direct, new jobs to the region, many involving high-value economic activities.

SACTO is also facilitating the creation of high-value jobs and headquarter companies from within the Sacramento Region as part of its "Grow From Within" emerging companies action plan. For the third consecutive year, SACTO and its Board of Directors have supported the UC Davis InnovationAccess Little Bang! Business Plan Competition, which provides an opportunity for students to develop business concepts that showcase the research and technologies originating in UC Davis laboratories. SACTO Board member companies have provided financial and technical assistance—yielding the following results:

- Sixty-three teams have competed in the Little Bang!
   Business Plan Competition.
- Approximately half have successfully competed in the Big Bang!
   Competition hosted by the UC Davis Graduate School of Management.
- Eight of the 12 Big Bang! finalists in the past two years have originated in the Little Bang! Competition.
- Seven have founded their own companies in our region.
- Of these, four have secured rights to commercialize the UC Davis technology involved, and two have concluded initial funding rounds.

The 2008 Little Bang! awards were made possible through the generous support of the following SACTO Board member companies: Cornish & Carey Commercial/ONCOR International, Downey Brand Attorneys LLP, PG&E, and SMUD.

### 2007/2008 Locations and Expansions

- Badger Ladder—Ladder Distribution
- Frontier Wind—Wind Power Products
- Gregory Mountain Products, Inc. (headquarters)—
   Backpack Manufacturing and Distribution
- Intellitec Products, LLC—Computer Logistics and Recycling
- OptiSolar Inc.—Photovoltaic Manufacturing
- SMA America (headquarters)—Solar Technology Products

# For every employee and dollar of output this year's

SACTO-assisted companies bring to the Sacramento Region, the regional economy could gain an additional 4.8 jobs and 85 cents, respectively.

### Total Regional Impacts\* or "Ripple Effect" of Located Companies

- 7,000 jobs
- \$690 million value added
- \$1.8 billion output
- \$453 million employee compensation
- \$75 million state and local taxes

stregional impact includes the calculated direct, indirect, and induced economic impacts

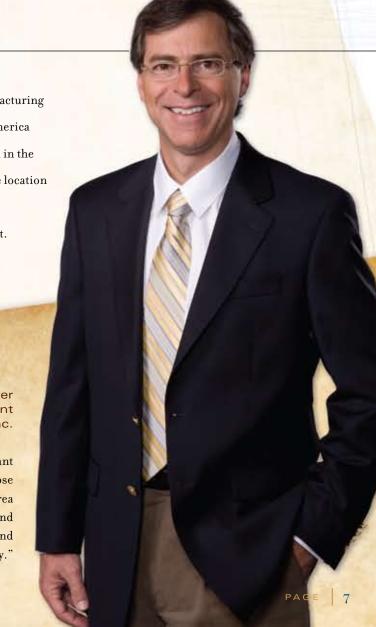
Jurgen Krehnke
President and General Manager
SMA America

"With our new national headquarter location in Rocklin, we feel we are well positioned to take advantage of the rapid growth of solar in California and the nation. We look forward to continuing our work with SACTO in this endeavor."

OptiSolar will be opening one of the largest photovoltaic manufacturing plants in the world while Gregory Mountain Products and SMA America will both be operating headquarter facilities in the region. Growth in the region's "green" companies segment will be advanced through the location of Frontier Wind and Intellitec, and Badger Ladder will bring a construction-related equipment distribution facility to the market.

Phil Rettger Executive Vice President OptiSolar Inc.

"We are excited to make a long-term and significant contribution to the Sacramento Region. We chose Sacramento because of its proximity to our Bay Area headquarters, convenient access to key markets and state policy-makers, highly qualified workforce, and relative affordability."



DISCOVER & DISTINGUISH

Building a First-Tier Econophy Strategy Two:

Goal: Plan and implement marketing and communications activities that will generate business development opportunities and create a first-tier image of the Sacramento Region.

SACTO executed a strategic marketing and branding plan to help maximize the region's exposure in key national, international, and trade media outlets. The past year yielded 29 meetings between regional spokespeople and target publications, such as BuinsessWeek, TIME, and The Wall Street Journal, and included press tours in New York City, Washington, D.C., and Sacramento. These efforts resulted in 2.1 million print impressions and online exposure to 35.5 million visitors in top-tier media. Results included a feature on a Sacramento Region entrepreneur and the growing venture capital industry in The Deal, as well as a lengthy article about the area's growing solar industry in Finanz und Wirtschaft, an international publication that reaches a key German-speaking business audience.

Targeted communications strategies focused on creating a first-tier image of the Sacramento Region resulted in coverage in the following domestic and international media outlets:

- Agence France-Press
- BioTech Nation
- CNBC Europe
- Economic Daily of China
- Greenwire.com



- 10 Best Cities of 2008 by Forbes.com
- Ranked 12th on the list of the average carbon footprint of residents in 100 major U.S. metropolitan areas by The Brookings Institution
- Davis included on the list of "5 Friendliest Cities in America" by TodayShow.com
- Ranked 3rd on "Top 10 List of Digitally Savvy Cities in the U.S." by Scarborough Research
- Folsom named one of seven California communities on the Fortune Small Business list of the 100 best places to live and launch a business
- Roseville included on Money magazine's list of top 100 "Best Places to Live"



### SACTO Represented the Region at 11 Trade Shows and Conferences

BayBio Gene Acres (life sciences)—South San Francisco, CA

BioPartnering (life sciences)—London, UK

Biotechnology Industry Organization, BIO (life sciences)—San Diego, CA

CoreNet Global (real estate)—Atlanta, GA and San Diego, CA

Germany California Solar Day (clean energy)—San Francisco, CA

Going Green Conference (clean energy)—Davis, CA

Green California Summit (clean energy)—Sacramento, CA

Industrial Asset Management Council, IAMC (real estate)—Phoenix, AZ

Intersolar North America Conference (clean energy)—San Francisco, CA

Medical Design & Manufacturing Conference (medical device)—Los Angeles, CA

Sacramento Region Clean Energy Showcase (clean energy)—Davis, CA



SACTO Speaking Engagements and Regional Partnerships

American Subcontractors Association Annual Dinner

Asian Pacific Chamber of Commerce/SMUD Clean Technology Policy Series

California Employment Training Panel Clean Technology Presentation CB Richard Ellis Commercial Real Estate Outlook

Going Green Conference

Golden Capital Network New California 100 Awards and Hall of Fame Induction

**Grubb & Ellis Real Estate Forecast** 

POWER-GEN Renewable Energy & Fuels Conference

Sacramento Business Journal Earlybird Economic Forecast

Sacramento Business Journal High Tech Direct

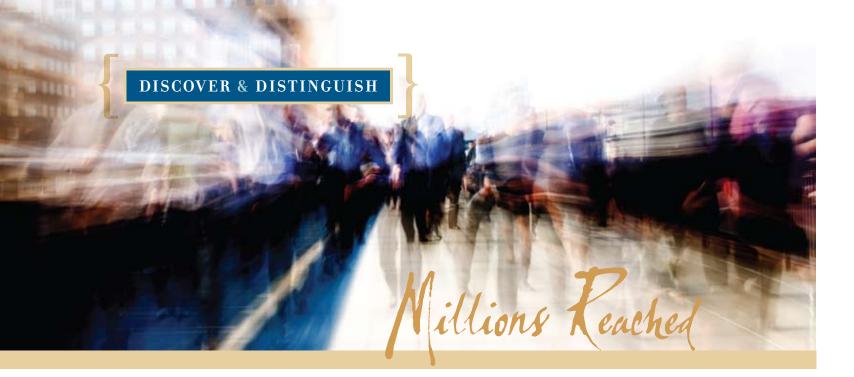
UC Davis InnovationAccess Little Bang! Business Plan Competition



# Building a First-fier Economy Strategy Three:

Goal: Guide the region through an economic development strategic planning process that strengthens the Sacramento Region's competitive position in the global economy.

After launching "A Business Plan for the Sacramento Region" in Spring 2006, Partnership for Prosperity (PFP) leaders formed action teams to execute the plan's four strategies. As one of three regional partners to initiate PFP, SACTO continues to work with its regional partners to implement the plan. SACTO staff, board members, and SRRI provide ongoing support through active participation on each of the four action teams.



As part of SACTO's comprehensive business attraction and marketing strategy focused on attracting high-value, headquarter, and clean energy technology investment to the region, SACTO staff attended 11 industry conferences and conducted marketing missions in Germany, the Netherlands, and Japan.

Last year's marketing communications campaign targeted the top 100 corporate location advisors but was expanded to include 1,000 contacts around the world. As part of this effort, a direct mail postcard campaign entitled "If We Tell You" was developed and will be launched during the next fiscal year.

Specific tactics were implemented to increase awareness of the Sacramento Region's clean energy technology assets as part of SACTO's ongoing efforts to position the region as a national leader in this sector. These efforts continue to yield

edia towns in New York City, Sacramento, and Washington, D.C.

29 national and international media interviews 2.1 million print impressions

35.5 million online visitors

significant results with clean energy technology companies dominating the list of recently located companies, generating significant media interest, and now accounting for nearly 60 percent of all active prospects—up from 14 percent a year ago.

An important tool in marketing the region's clean energy technology sector is the "Clean Tech Sacramento Region" brochure. Borrowing on the success of this marketing piece, SACTO created a similar brochure to help promote the region's biotechnology sector. The brochure made its debut at the 2008 BIO (Biotechnology Industry Organization) International Convention, the largest gathering of biotechnology professionals in the world, and will be used as part of SACTO's ongoing efforts focused on this important sector.

SACTO is regularly invited to partner with regional groups in executing area events and its staff speak at many regional and national events on a variety of topics ranging from economic development strategies to trends in the local and state economy. They also serve as media sources for the regional press and participate on relevant boards and committees.

Partnership for Prosperity

Delivering on economic strategies benefiting the Sacramento Region—Focused on:

BUSINESS | PEOPLE | PLACE





### Green Capital Alliance:

The Green Capital Alliance's (formerly the Clean Energy Action Team) goal is to create more proactive opportunities to support the region's clean energy technology sector. Networking and strategic planning meetings, outreach and public education, and helping to identify advocacy opportunities for partner organizations have helped advance the team's goals.

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### LEADERSHIP & COLLABORATION



# Action Jean Updates:

### Education and Workforce Action Team:

The Education and Workforce Team's objective is to align education and training to meet workforce needs. They completed a year-long research study that forecasts job and skill demands out to 2015. This innovative study, completed by SRRI and Valley Vision, examines 75 leading regional industries, over 700 different jobs, and the specific capacities and skills needed for each. A summary report and online database can be found at www.careergps.com.

### Civic Amenities Team:

The Civic Amenities Team's goal is to assess the region's current civic amenities structure and engage community members to learn about regional amenities and prioritize future investments. They launched Experiences, an interactive exhibit that is designed to raise awareness about existing amenities and gather input about the most important amenities to invest in as our population grows. They are also working with the UC Davis Center for the Study of Regional Change to conduct research on viable funding mechanisms in the Sacramento Region.

### **Business Development Action Team:**

The goal of the Business Development Team is to make the Sacramento Region the best place in California to do business. In support of the Green Capital Alliance's efforts, a regional approach to establish a uniform and expedited process for incorporation of clean technology applications into new and existing buildings is being developed. Such regional cooperation could eliminate the variable permitting costs and timelines associated with adoption and implementation of energy saving technologies across the Sacramento Region and establish the Sacramento Area and our local jurisdictions as leaders in the green and sustainable energy field.



## Building a First-Tier Econophy Strategy Four:

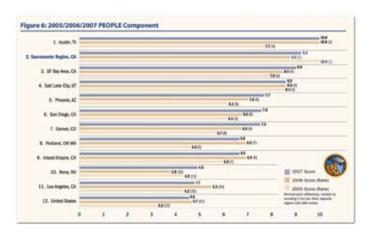
Goal: Benchmark the Sacramento Region's competitive position for the purpose of evaluating the competition and identifying opportunities for improvement.

The Sacramento Regional Research Institute (SRRI), a joint venture of SACTO and California State University, Sacramento, developed the Prosperity Index to provide regional leaders a valuable tool to measure the Sacramento Region's economic prosperity and track its competitiveness, identify opportunities for improvement, and impact change in the region. Along with the national average, ten competitor regions were chosen as benchmarks for this analysis based on feedback from economic development organizations regarding metropolitan areas that often compete with the Sacramento Region for business location and expansion projects.

e have learned a great deal about our region and our competitors through the Prosperity Index. It has reaffirmed our strengths and helped us recognize areas where improvements need to be made in order to remain competitive and create a first-tier economy." - Jeff Koewler | SACTO 2006/2008 Chair

> SRRI updates the overall *Prosperity Index* annually—which measures indicators in the three areas of BUSINESS, PEOPLE, and PLACE. The BUSINESS component is updated quarterly to allow for more frequent evaluations of the local business climate and is published in SACTO's

### Prosperity Index



Quarterly Economic Report. The first edition of the Prosperity Index was published in 2005; since that time, there have been two annual updates and 12 quarterly updates to the BUSINESS component.



### STANDARDS & SUCCESS

The following SACTO Board member organizations have shown their support for this important benchmarking tool by underwriting this effort: Los Rios Community College District, McDonough Holland & Allen PC, Pacific Gas and Electric Company, and Wells Fargo and Company.

## 2001 Prosperity Index Underwriters

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PAGE





Pacific Gas and Electric Company

Similar to previous years, the Sacramento Region's most valuable feature of our economic prosperity is in the PEOPLE category, where it placed second overall—ahead of all other California regions. Strong scores in the region's college enrollment, graduation rate, and household income spread, along with a moderate score in educational attainment, provide a competitive advantage over other regions.



Narendra "Pat" Pathipati **Executive Vice President and CFO** Teichert, Inc.

### **Teichert:** Building Trust Since 1887

From Adolph Teichert's first Sacramento job of building sidewalks around the State Capitol in the 1880s, to laying thousands of miles of roads, sidewalks, and highways, Teichert's roots run deep and are far reaching. Founded in 1887, Teichert remains one of California's oldest and most established companies. Today, the Teichert family of companies includes Teichert Construction and Teichert Materials.

Making a Difference: Building a First-Tier Economy is the focus of SACTO's annual Board of Directors Strategic Planning meeting.

SACTO supports two-day Going Green Conference at UC Davis Mondavi Center.

The 16th Annual Trainor Fairbrook/SACTO Golf Tournament at North Ridge Country Club attracts another sell-out crowd.

SACTO Deputy Director Bob Burris, SACTO Board Chair Jeff Koewler, and PG&E Northern Region Service & Sales Director and SACTO Director Steve Nichols travel to Germany and the Netherlands to meet with clean energy technology companies.



SACTO attends Europe's longest-running life science partnering conference, BioPartnering, in London, U.K.

SACTO supports the Clean Energy Showcase, an initiative of the PFP Clean Energy Action Team held at the Mondavi Center.

SACTO participates in PFP Clean Energy Action Team Clean Tech CEO Business Roundtable luncheons with industry representatives.

### SACTO YEAR IN REVIEW

More than 600 community and business leaders attend SACTO's Fall Membership Celebration at Mason's at The Park.

The Sacramento Business Journal and SACTO present the 2008 Earlybird Economic Forecast. SACTO's Barbara Hayes presents the economic outlook for the Sacramento Region.

The Sacramento Regional Research Institute (SRRI) releases the 2007 Prosperity Index. For the third year in a row, the Sacramento Region's primary strength was in the People category. Underwriters include:









SRRI unveils the Sacramento Region Business Forecast—the only locally produced regional economic forecast for the Sacramento Region. Underwriters include:





SACTO's Barbara Hayes leads a delegation of regional representatives on a New York City marketing mission. Meetings are held with corporate location advisors and toptier media outlets.

SACTO assists CNBC Europe in the production of The Cost of Carbon at California State University, Sacramento, the fourth episode in the international series entitled Questions for the Future. It was the only episode filmed in the U.S.





### SACTO YEAR IN REVIEW

In partnership with the Sacramento Business Journal, SACTO co-hosts the 12th Annual High-Tech Direct event.

ebruary

SACTO announces the location of equipment processing company Intellitec Products, LLC to the Sacramento Region.

SACTO and its Board of Directors support the UC Davis InnovationAccess Little Bang! awards. SACTO Board member companies Cornish & Carey Commercial, Downey Brand Attorneys LLP, PG&E, and SMUD fund awards given to student entrepreneurs.



More than 600 business and community leaders welcome and honor eight SACTO-assisted companies at SACTO's annual Salute to New Industry luncheon.

OptiSolar selects the Sacramento Region for one of the largest thin-film solar panel manufacturing plants in the world.



SACTO Deputy Director Bob Burris leads a two-day clean energy technology media tour of the Sacramento Region.

SACTO assists wind power industry pioneer Frontier Wind with its location in the Sacramento Region.

SMA America, the largest supplier of solar inverters in the world, chooses Rocklin for expansion and relocation of its only American facility and North American headquarters.

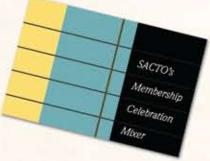


Leading backpack manufacturer Gregory Mountain Products chooses the Sacramento Region for its manufacturing facility.

Barbara Hayes and a team of regional leaders participate in media interviews to promote the region's clean energy technology sector during the Cap-to-Cap mission to Washington, D.C.

SACTO announces the location of Badger Ladder and Scaffold Company to the Sacramento Region for its West Coast distribution facility.

More than 600 business and community leaders attend SACTO's Spring Membership Celebration mixer at Spataro Restaurant and Bar.



SACTO's annual Past Presidents' Luncheon pays homage to the past and present leaders whose vision and commitment to SACTO's mission have helped shape SACTO and the region.

SACTO produces the Biotech Sacramento Region brochure for distribution at the BIO 2008 International Convention in San Diego and for use in SACTO's ongoing efforts to promote this important industry sector.

SACTO partners with Golden Capital Network in supporting the first annual New California 100 Awards and Hall of Fame Induction, celebrating business success and entrepreneur innovation in the Central Valley.

SACTO YEAR IN REVIEW

The CleanTech Sacramento Region brochure receives grand prize award in California Association for Local Economic Development's (CALED) annual Awards of Excellence program.

Eighty-seven percent of SACTO member survey respondents belong to SACTO to make a long-term investment in the region and 97 percent are either "satisfied" or "very satisfied" with member benefits.

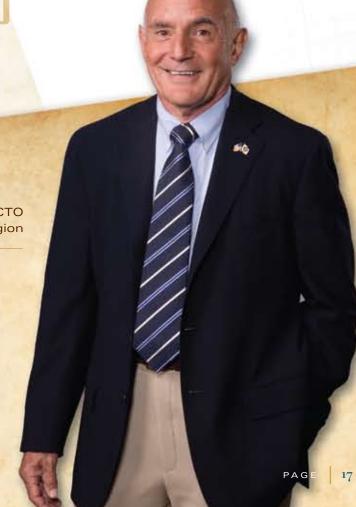
SACTO develops "If We Tell You" marketing campaign designed to raise greater awareness of the Sacramento Region with corporate location advisors.

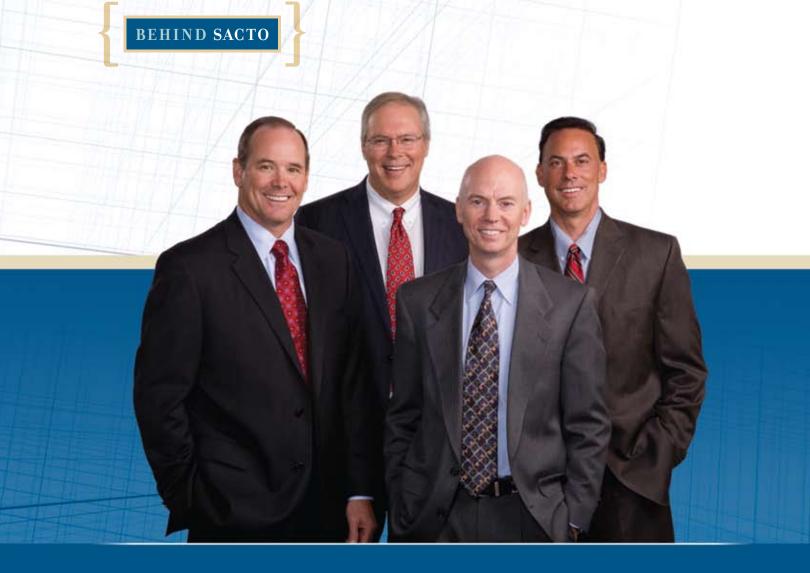


Valued SACTO Members: Investing in SACTO and making a difference in the Sacramento Region

> Dave Lucchetti President / CEO Pacific Coast Building Products, Inc.

Founded in 1953 with a single lumberyard, Pacific Coast Building Products, Inc. today has over 75 locations spread throughout the Western United States and Canada. Throughout its history, the company has remained firmly planted in the city that was the catalyst to its success, and the city they are proud to call home - Sacramento.





SACTO would like to recognize and thank the following SACTO members for generating at least \$5,000 in new memberships:

### (left to right)

David P. Parkes President, Pacific Division Flintco, Inc.:

John Frisch Senior Vice President / Manager Cornish & Carey Commercial / ONCOR International;

Peter Drozdoff Vice President, Marketing & Sales SureWest;

> Jeffrey M. Koewler Managing Partner Downey Brand Attorneys LLP

# SACTO membership is a long-term investment in the region.

For 33 years, SACTO has been successful in attracting quality investment to the region because of the loyal support from its members. In fact, the 13 original founding members are still members today. Member support comes in many forms: they invest financially to support long-term strategic efforts that lay the foundation for future prosperity for the region, they invest in SACTO events that provide opportunities to connect with the region's community and business leaders, and they invest their time and expertise to serve on boards and committees. The annual SACTO member survey revealed that 87 percent of respondents belong to SACTO to make a longterm investment in the region and 97 percent are either "satisfied" or "very satisfied" with SACTO member benefits.

# Members Connect at Four Sell-Out Events

- 16th Annual Trainor Fairbrook/SACTO Golf Tournament
- Fall Membership Celebration
- Salute to New Industry Luncheon
- Spring Membership Celebration

# Nember Involvement in SACTO

- Board of Directors
- Events Committee
- Finance Committee
- Golf Tournament Committee
- Member Development Committee
- Member Relations Committee
- SRRI Committee

## SRRI Providing Knowledge and Tools for Informed Decisions

For the past seven years, the Sacramento Regional Research Institute (SRRI), a joint venture of SACTO and California State University, Sacramento, has served as a valuable resource to SACTO, its members and regional partners, and public and private entities inside and outside the region. SRRI's unique blend of economic and demographic services helps these organizations work smarter and more competitively in realizing their business and economic development objectives. SRRI is also a critical part of SACTO's business attraction efforts providing customized data packages to companies considering a location or expansion in the region. The regional media have come to rely on SRRI for commentary on various economic and demographic issues, and the organization was featured in 29 articles over the past year.

### Keeping SACTO Members Informed: SRRI-Produced Publications

- 3rd Annual Prosperity Index
- Sacramento Region Business Forecast
- Quarterly Economic Report/Prosperity Index PEOPLE Component Update
- Monthly Economy Watch
- Sacramento Region Databook
- Sacramento Region Economic Profile

To help improve awareness of the unique services that SRRI provides, a committee comprising SACTO Board members was established to provide strategic direction in developing a business plan and marketing strategies.

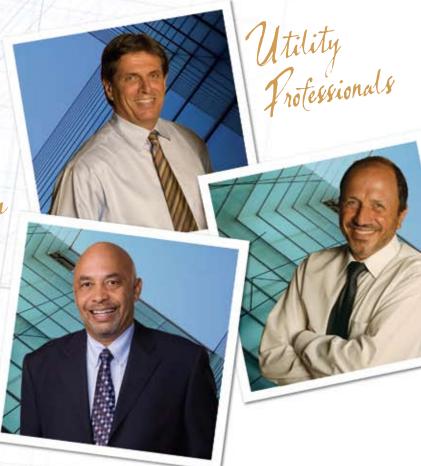
SRRI worked with Sacramento State to develop and launch the first annual Sacramento Region Business Forecast—the region's first locally developed regional economic forecast. The forecast is recalibrated bi-annually with the results presented in SACTO's Quarterly Economic Report.

### BEHIND SACTO

**REGIONAL COLLABORATION:** A shared belief in SACTO's mission, leadership, and value to the region

> An important component of SACTO's success is its collaboration with the region's counties, cities, utility companies, and economic development professionals. These vital partners provide the resources needed to evaluate, plan, and implement a location or expansion in the region.

Top to Bottom: Steven J. Nichols, Northern Region Service & Sales Director, PG&E · Tom Habashi, Director, Roseville Electric · Larry Carr, SMUD Board President, SMUD





Top row, left to right: Councilmember Stephen Souza, City of Davis; Mayor Christopher Cabaldon, City of West Sacramento; Mayor Gary Davis, City of Elk Grove; Mayor Gene Resler, Town of Isleton; Mayor Linda Budge, City of Rancho Cordova; Mayor Carl Hagen, City of Placerville; Mayor Steve Miller, City of Citrus Heights; Mayor Keith Nesbitt, City of Auburn

Bottom row, left to right: Supervisor John Nicoletti, County of Yuba; Supervisor Don Nottoli, County of Sacramento; Mayor Heather Fargo, City of Sacramento; Mayor Rory Ramirez, Yuba City; Mayor Russ Kelley, Town of Loomis; Supervisor Kirk Uhler, County of Placer

### MEMBERSHIP ROSTER

abd Insurance & Financial Services Access Information Management Acorn Asset Management, Inc. Action Learning Systems

Admail West

Aerotek, Inc.

Aguer Havelock Associates, Inc. Air Systems of Sacramento, Inc.

Airco Mechanical, Inc.

Airgas, Northern California & Nevada

**AKT Development Corporation** 

Alfa Tech Cambridge Group

Alleghany Properties, LLC

The Allen Group

Alpha Signs, Inc.

American Airlines

American Cancer Society

American River Bank

American River - PackageOne

American River Ventures

ANOVA Architects, Inc.

Aon Risk Services

Argyle Corrections

Ascent Builders

Association of Commercial Real Estate

(ACRE)

Astone / Crocker / Flanagan

AT&T

AT&T Wireless

Atlas Disposal

Augustine & Associates

B<sub>2</sub>B CFO

Bank of America

Bank of Sacramento

Bank of the West

Barcellona, Inc.

Bartholomew Associates

Benchmark Consulting Services, Ltd.

Benchmark Staffing

Bergelectric Corporation, Sacramento

BloodSource

Blue Diamond Growers

Blue River Interactive Group

The Boldt Company

Borges Architectural Group

Bridge Bank

**Brown Construction** 

Brown Fink Boyce & Astle, LLP Brown, Stevens, Elmore & Sparre

Brownie's Blueprint Company BTV Development, LP

Buehler & Buehler Structural

Engineers, Inc.

Bullard Construction Inc.

Bullivant Houser Bailey PC

Burnett + Company LLP, CPAs

Burrell Consulting Group, Inc.

**Business Central** 

Business Law Ventures, PC

Butterfield Electric, Inc.

**Buzz Oates Management Services** 

California Chamber of Commerce

California Statewide Certified

Development Corp.

Capital Beverage Company

Capital Planning Advisors, Inc. Capitol Area Development Authority

Carter + Burgess

Catlin Properties, Inc.

CB Richard Ellis, Inc.

C.C. Myers, Inc.

CDC Small Business Finance

Cemo Commercial, Inc.

Central Valley Fund, LP

Century Management Company

Cisco Air Systems

City of Citrus Heights

City of Davis

City of Elk Grove

City of Folsom

City of Galt

City of Lincoln

City of Rancho Cordova

City of Rocklin

City of Roseville

City of Sacramento

City of West Sacramento

City of Woodland

Clark Pacific

Classique Catering

Coastal Partners, LLC

Colliers International

Collins Electrical Co., Inc.

ColourPress Inc.

Comcast

Comcept Technologies, Inc. Comerica Bank, California Commerce Printing Services

Community Banks of Northern California

Comstock's Magazine

Cornish & Carey Commercial /

ONCOR International

Corporate Express Business Interiors (CEBI)

Cort Furniture Rental

County of El Dorado

County of Placer

County of Sacramento

County of Sutter

County of Yolo

County of Yuba

CRESA PARTNERS, LLC Cunningham Engineering Corporation

CVL - Supply Chain Innovation

Daniel, Russell & Charles Co. L.L.C.

David L. Bonuccelli & Associates

David S. Taylor Interests, Inc.

DavisReed Construction

Dean F. Unger, AIA, Inc.

Delmastro + Eells, Inc.

Deloitte & Touche LLP

DesCor Builders

Diebold Election Systems

Diepenbrock Harrison

DLA Piper US LLP

DLR Group, Inc.

DocuWare, Inc.

Dome Printing

Donahue Schriber Downey Brand Attorneys LLP

DPR Construction, Inc.

Drexel University Online

Dreyfuss & Blackford Architects

DST Output

Dynamic Commercial Flooring

Economic & Planning Systems, Inc.

EDD - Labor Market Information Division

E.J. Plesko & Associates, Inc. Elk Grove Chamber of Commerce

Elliott Homes, Inc.

Systems, Inc.

**ENGEO** Incorporated

Enterprise Fleet Management

### MEMBERSHIP ROSTER

MEMBERSHIP ROSTER

EnviroFinance Group, LLC The Ergo Group, Inc. Esquire IMAX Theatre **Ethan Conrad Properties** Eureka Development The Evergreen Company Exchange Bank

Farmers & Merchants Bancorp / F&M Bank First American Title Company

First Bank

First Northern Bank

Five Star Bank

FlashPoint Productions, LLC

Flintco, Inc.

Folsom Economic Development

Corporation Foord, Van Bruggen, Ebersole & Pajak

Foundation for California

Community Colleges Frank M. Booth, Inc.

Franklin Templeton Investor Services, LLC

Frayda L. Bruton, Attorney at Law Frontline Builders & General

Contracting, Inc. Fulcrum Property

Gallagher Benefit Insurance Services

Gallina LLP

Gayle Manufacturing Company

Gaynor Telesystems, Inc. GDAS - Lincoln

Gekkeikan Sake (USA), Inc.

GenCorp GeoEngineers Geremia Pools, Inc. Gerry N. Kamilos, LLC

Glass McClure **GRA** Architecture Grafil, Inc.

Granite Construction Company

Graphic Focus

Grebitus & Sons Jewelers Grubb & Ellis Company The Gualco Group, Inc.

Guaranty Bank

GW Consulting Civil Engineers, Inc. Hansen and Associates Financial Group

Harris & Associates

Harsch Investment Properties, LLC

Harvego Enterprises, LLC

Haworth, Inc.

Heery International, Inc. Hefner, Stark & Marois, LLP The Heller Company, Inc.

Herman Miller, Inc.

Hines

The HLA Group / Landscape Architects

& Planners **HMH Builders** Hogue & Associates

Holiday Inn Capitol Plaza

Holt of California HP Hood LLC Humanscale, Inc. Hyatt Regency Sacramento

Imperial Capital Bank

Innovative Maintenance Solutions, Inc.

Inspironix, Inc. Integra Telecom Intel Corporation

Intercultural Business Communication

InterState Oil

InterWest Insurance Services, Inc.

IronStone Bank Irwin Union Bank Jackson Properties, Inc. Jenkins Insurance Group

John Hancock Financial Network

John Laing Homes - Northern California Division

John O. Bronson Co. Insurance Agents Johnson Schachter & Lewis, a Professional

Law Corporation Jones-Campbell Co. J.R. Roberts / Deacon, Inc.

K. Hovnanian Northern California

Kaiser Permanente Karp Capital Management KB Home Sacramento

KCRATV - Channel 3 / KQCA - Channel 58

Keenan Holdings Keller Group Kikkoman Foods, Inc.

KKN, Inc. Kleinfelder The KMS Group

Kocal Management Group, Inc.

L and D Landfill

Lakeshore Pacific, Inc.

Larkspur Hotels & Restaurants Law Offices of Gregory D. Thatch Lawson Mechanical Contractors

Legacy Capital Management, Inc.

Lionakis

Livingston's Concrete Service, Inc.

**LNR Property Corporation** 

Los Rios Community College District

Lounge on 20 LPA, Incorporated LPA Sacramento, Inc. Luppen and Hawley, Inc.

Lyon Real Estate The Macerich Company / Arden Fair Mall

Mailrite Print & Mail, Inc. Mainstay Business Solutions Maloof Sports and Entertainment

Manpower

The Mansour Company MarketOne Builders, Inc. Marquiss Wind Power Mason's at The Park

MatriScope Engineering Laboratories, Inc.

Mayer & Clifton Partners, Inc.

MBK Homes

McCarthy Building Companies, Inc. McClellan Park / Stanford Ranch I, LLC

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McDonough Holland & Allen PC

McGee & Thielen Insurance Brokers, Inc.

The McLean Group

Mechanical Contractors Council

Media Solutions

The Merchants National Bank

of Sacramento

Mercy, a member of Catholic

Healthcare West MeringCarson

Merrill Lynch Pierce Fenner Smith, Inc.

MFDB Architects, Inc.

Mikuni Japanese Restaurant & Sushi Bar Miles Treaster & Associates (MTA)

Mindset Software, Inc. Miyamoto International, Inc.

Morgan Stanley Morton & Pitalo, Inc. Moss Adams LLP

Mourier Land Investment Corporation

M.P. Allen General Contractors, Inc. Murphy Austin Adams Schoenfeld LLP

Nadel Architects, Inc. NAI BT Commercial

National Electrical Contractors Assn., Inc.

NEC Electronics America, Inc. Nehemiah Corporation of America

Network Design Associates

Nevada County Economic Resource Council

New Faze Development, Inc.

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The Niello Company Nor-Cal Beverage

NorCal Wealth Management

North State Building Industry Association

Northrop Grumman Mission Systems Northwestern Mutual Financial Network

Nugget Markets, Inc.

Office Depot

Opus West Corporation

Orrick, Herrington & Sutcliffe LLP

Otto Construction

Pacific Coast Building Products, Inc. Pacific Gas and Electric Company

Pacific Realty Associates, LP (PacTrust)

Pacific Staffing

Pan American Insurance Agency, Inc.

Panattoni Development Company, Inc. Pappas Investments

Paragary's Restaurant Group Parker Development Company

Parkinson Phinney Parks and Associates

Parsons Commercial Technology Group

PBS&I

Performance Contracting, Inc. Performance Mechanical, Inc.

Perry-Smith LLP

Peter P. Bollinger Investment Company

Phelan Development The Pigman Companies, LLC

Pillsbury Winthrop Shaw Pittman LLP Placer County Association of REALTORS®

Placer Ranch, Inc. Placer Title Company

PMA, Inc.

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PricewaterhouseCoopers LLP

PRIDE Industries

The Principal Financial Group Profit Recovery Partners, LLC

**Prosper Publications** 

Psomas

Pulte Homes, Inc. Purdy Builders, Inc.

Quad Knopf

Quest

Quest Diagonostics **Qwest Communications** 

Rabobank, N.A.

Radiological Associates of Sacramento

Medical Group, Inc. Radisson Hotel Sacramento

RagingWire Enterprise Solutions, Inc.

Ralev's

RAMCO Enterprises, Inc. Ramos Oil Company, Inc.

The Ray Morgan Company Ray Stone Incorporated

Reeve-Knight Construction, Inc.

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Ritter Consulting River City Bank River City Staffing River West Investments Robert Half International

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Romo & Associates, Inc. Roseville Bank of Commerce

Roseville Chamber of Commerce Royal Electric Company

RREEF

RSN & Associates Rubicon Partners, Inc. Rudolph and Sletten, Inc.

Runyon Saltzman & Einhorn, Inc. Sacramento Asian Pacific Chamber

of Commerce (SACC) Sacramento Association of Realtors The Sacramento Bee

Sacramento Black Chamber of Commerce

Sacramento Builders' Exchange, Inc.

Sacramento Business Journal

Sacramento Coca-Cola Bottling Co., Inc.

Sacramento Convention & Visitors Bureau

Sacramento County Airport System

Sacramento Employment and Training Agency (SETA)

Sacramento Hispanic Chamber of Commerce

Sacramento Magazines Corporation

Commerce

Sacramento Metropolitan Chamber of

Sacramento Municipal Utility District

Sacramento Philharmonic Orchestra Association, Inc.

Sacramento Public Library

Sacramento Regional Transit District

Sacramento River Cats Baseball Club, LLC Sacramento State

Safety Center, Incorporated

Sandberg, Lo Duca & Aland, LLP Sares Regis Group of Northern

California, LP SBM Site Services, LLC

Schetter Electric, Inc.

Schott Solar Inc. Seevers · Jordan · Ziegenmeyer

Seismic Computer Management Selland Family of Restaurants

Separovich/Domich Developers The Setzer Foundation

Shasta Linen Supply, Inc. Shaw Environmental & Infrastructure, Inc.

Sheraton Grand Sacramento Siemens Transportation Systems, Inc.

Sierra College Sierra Health Foundation

Sierra Office Systems and Products, Inc.

Sierra View Company, Inc. Signature Reprographics Sioukas Investments Six Disciplines SKK Developments

Smile Business Products, Inc.

Snider Leasing

Slakey Brothers

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### MEMBERSHIP ROSTER

Sonoma Bank Spherion

Stafford King Wiese Architects

Stantec Consulting, Inc.

Stewart Title of Sacramento

Streng Bros. Homes, Inc.

Sundt Construction, Inc.

SunTechnics Energy Systems, Inc.

SureWest

Sutter Commercial Properties

Sutter Health, Sacramento / Sierra Region

& Sutter Auburn Faith Hospital

Teichert, Inc.

TelePacific Communications

Theis Engineering Inc.

Thielen IdeaCorp

Thompson Noble Company LLP

Thunder Valley Casino

Tower Development Corporation

Trainor Fairbrook

Trane Company

TravelStore

TRI Commercial Real Estate

Services - Roseville

TRI Commercial Real Estate

Services - Sacramento

Tri Counties Bank

Tricorp Construction, Inc.

Turley & Associates

UC Davis Extension, Professional &

Continuing Education

UC Davis Medical Center

Umpqua Bank

**Unger Construction Company** 

Unicity Technologies LLC

Union Bank of California

United Corporate Furnishings, Inc.

United Way California Capital Region

University of California, Davis

University of the Pacific, McGeorge School of Law

University of Phoenix, Sacramento Campus XO Communications

University of Sacramento

Urata & Sons Cement, Inc.

U.S. Bank

U.S. National Leasing, LLC, dba Depot Park

VALAIR, a division of Edward B. Ward

& Co.

Valley Communications, Inc.

Valley Farm Transport, Inc.

ValleyCrest Landscape Development

Vann Brothers

Velocity Venture Capital, LLC

Vilfer & Associates, Inc.

Vision Service Plan

Visionary Integration Professionals, LLC

Visual Communication

Volt Services Group

Wallace-Kuhl & Associates, Inc.

Waller, Kaufman & Sutter

Ward Associates

Ware Malcomb

Warren G. Bender Co.

Waste Management of Sacramento

Watson Companies, Inc

Weckworth Electric

Weidner Architectural Signage

Weintraub Genshlea Chediak

Wells Construction, Inc.

Wells Fargo and Company

Wells Fargo Insurance Services

Western Blue Corporation

Western Contract

Western Health Advantage

Westpark Associates

Wildlands, Inc.

Wilke, Fleury, Hoffelt, & Birney, LLP William C. Newbill Insurance Services, Inc.

dba McClatchy Insurance Agency

William Lyon Homes, Inc. Williams + Paddon Architects +

Planners, Inc.

Yackzan Group, Inc.

Yuba Community College District

Yuba-Sutter Economic Development

Corporation (YSEDC)

**SACTO STAFF** 

Barbara Hayes, Executive Director

Robert Burris, Deputy Director

Andrea Biaggi, Director,

Development & Community Relations

**Kim Neri**, Director, Finance &

Operations

Carol Nicknig, Director,

Communications

Tracey Schaal, Director of

Strategic Marketing Celeste Silveira, Manager, Finance &

Operations

Vanessa Young, Manager, Marketing &

Communications

Rodrah Lukas, Receptionist & Administrative Assistant

**SRRI STAFF** 

Ryan Sharp, Director

Helen Schaubmayer, Deputy Director

PERRY-SMITHALLP

### INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

To the Board of Directors Sacramento Area Commerce and Trade Organization Sacramento, California

We have audited the accompanying statement of financial position of Sacramento Area Commerce and Trade Organization (a California corporation), as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sacramento Area Commerce and Trade Organization as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

> Sacramento, California September 10, 2008

Peny Smith cer





### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### STATEMENT OF FINANCIAL POSITION

June 30, 2008 and 2007

	2008	2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 228,031	\$ 166,333
Certificates of deposit	650,000	676,059
Accounts receivable	34,594	48,572
Prepaids and other assets	45,356	40,882
Total current assets	957,981	931,846
Non-current assets:		
Investments (Note 2)	135,442	60,370
Furniture and equipment, net of accumulated		
depreciation of \$153,890 and \$141,267	16,074	26,792
Total assets	\$ 1,109,497	\$ 1,019,008
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 41,688	\$ 49,183
Deferred revenue	106,750	55,562
Total current liabilities	148,438	104,745
Commitments (Note 3)		
Unrestricted net assets	961,059	914,263
Total liabilities and net assets	\$ 1,109,497	\$ 1,019,008

The accompanying notes are an integral part of these financial statements.

### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### STATEMENT OF ACTIVITIES

For the Years Ended June 30, 2008 and 2007

	2008	2007
Changes in unrestricted net assets:		
Revenues:		
Private sector support	\$ 1,011,000	\$ 985,119
Public sector support	310,450	241,226
Meetings and events	343,892	316,750
Research	273,455	286,352
In-kind contributions	120,331	
Advertising	75,971	
Investment income, net (Note 2)	31,138	
Other income	2,320	1,827
Total revenues	2,168,557	2,064,914
Expenses:		
Marketing	952,798	979,348
Membership, committees and outreach	565,763	482,287
Meetings and events	254,400	
Administrative (Note 4)	334,241	
Depreciation	14,559	19,554
Total expenses	2,121,761	2,067,199
Increase (decrease) in unrestricted net assets	46,796	(2,285)
Unrestricted net assets, beginning of year	914,263	916,548
Unrestricted net assets, end of year	\$ 961,059	\$ 914,263

The accompanying notes are an integral part of these financial statements.



## FINANCIAL STATEMENTS

### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### STATEMENT OF CASH FLOWS

For the Years Ended June 30, 2008 and 2007

	 2008	 2007
Cash flows from operating activities:		
Increase (decrease) in unrestricted net assets	\$ 46,796	\$ (2,285)
Adjustments to reconcile increase (decrease) in		
unrestricted net assets to net cash and cash		
equivalents provided by operating activities:		
Depreciation	14,559	19,554
Net unrealized losses (gains) on investment securities	8,781	(1,386)
Net decrease (increase) in accounts receivable	13,978	(7,325)
Net (increase) decrease in prepaids and other assets	(4,474)	14,122
Net decrease in accounts payable and accrued liabilities	(7,495)	(14,039)
Net increase (decrease) in deferred revenue	51,188	 (2,438)
Net cash and cash equivalents		
provided by operating activities	123,333	 6,203
Cash flows from investing activities:		
Purchases of certificates of deposit	(679,494)	(801,785)
Proceeds from sale of certificates of deposit	705,553	325,966
Purchase of securities	(83,853)	(10,377)
Proceeds from sale of securities		480,262
Purchase of furniture and equipment	 (3,841)	 (3,871)
Net cash and cash equivalents		
used in investing activities	(61,635)	 (9,805)
Net increase (decrease) in cash and cash equivalents	61,698	(3,602)
Cash and cash equivalents, beginning of the year	 166,333	 \$169,935
Cash and cash equivalents, end of the year	\$ 228,031	\$ 166,333
Supplemental schedule of non-cash operating and investing activities: In-kind contributions	\$ 120,331	\$ 121,814

The accompanying notes are an integral part of these financial statements.

### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### NOTES TO FINANCIAL STATEMENTS

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 1.

### Organization and Operation

Sacramento Area Commerce and Trade Organization (SACTO) is a nonprofit organization incorporated for the primary purpose of attracting new commercial and industrial enterprises to the six-county Greater Sacramento Area. SACTO's purpose is to broaden the private sector job base throughout the El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba County areas. In addition, SACTO provides research data and consultations to political subdivisions who wish to develop their local economies. These services are provided through the organization's wholly-owned economic development division, Sacramento Regional Research Institute (SRRI).

SACTO is exempt from income taxes under the provisions of Section 501(c)(6) of the Internal Revenue Code and Section 23701e of the California Revenue and Taxation Code.

### Cash and Cash Equivalents

Cash balances held by a bank are insured up to \$100,000 by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2008, the bank balances totaled \$184,171. Of the total bank balances, \$105,000 was covered by FDIC insurance. The difference between the carrying amount and the bank balance results from outstanding items, such as outstanding checks and deposits in transit.

For purposes of reporting cash flows, cash and cash equivalents include cash in bank, money market accounts and certificates of deposits with original maturities less than three months.

### Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances after bad debts taking into account history of collection. There was no allowance for doubtful accounts at June 30, 2008.

### Investments

Investments consist of certificates of deposit with maturity dates greater than 90 days and fixed income mutual funds with readily determinable fair values. Investments are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in investment income. Mutual funds are held by a broker who is a member of the Securities Investor Protection Corporation and are insured up to \$500,000. Certificates of deposit are held by local banks and are insured up to \$100,000 by the FDIC. Of the balances held at banks, \$600,000 was covered by FDIC insurance and \$50,000 was uninsured. Additionally, \$135,442 was covered by SIPC insurance.



### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

FINANCIAL STATEMENTS

### NOTES TO FINANCIAL STATEMENTS

(Continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **In-Kind Contributions**

In-kind contributions are measured at their fair value. During fiscal years 2008 and 2007, SACTO received in-kind contributions in the amount of \$120,331 and \$121,814, respectively, for the following services:

	June	30,
	2008	2007
Marketing	\$ 47,627	\$ 47,325
Meetings and events	65,704	64,489
Administrative	7,000	8,000
Computer equipment	 	2,000
	\$ 120,331	\$ 121,814

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

### 2. INVESTMENTS

Investments are carried at fair value. Investments consist of the following:

	Jı	une 30,
	2008	2007
Mutual funds Certificates of deposit	\$ 135,442 650,000	\$ 60,370 676,059
	\$ 785,442	\$ 736,429

Investment income includes interest income and the net gains (losses) on investments. Net unrealized (losses) gains on investments were \$(8,781) and \$1,386 for the years ended June 30, 2008 and 2007, respectively.

### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Furniture and Equipment

Purchased furniture and equipment are stated at cost. Donated furniture and equipment are recorded at fair value when received. SACTO reports gifts of furniture and equipment as unrestricted support unless explicit donor stipulations specify how the donated asset must be used. Depreciation is provided over the estimated useful lives (five to ten years) of the assets using the straight-line method.

### Revenues

The operations of SACTO are supported primarily by private sector contributions and local government contracts and contributions. Private and public sector contributions are recognized when cash is received or assets and services are contributed. All contributions are unrestricted. Deferred revenue reflects membership dues received in advance or amounts received in advance of fundraising events which will be recognized as revenue in the period when the events occur.

### **Functional Allocation of Expenses**

The costs of the various activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the activities and supporting services benefitted.

Overhead allocation is based on estimated direct and indirect staff time expended for the activity. As a result, personnel costs and other expenses were allocated as follows:

	June 3	80,
	2008	2007
Marketing	45%	48%
Membership, committees and outreach	32%	27%
Administrative	23%_	25%
	100%	100%

### **Related Party Transactions**

SACTO follows a policy of "members first" for purchases of goods and services. Any transactions with individual members of the Board of Directors are disclosed to the Board. In accordance with the policy of "members first", SACTO occasionally purchases goods and services from members and the Board of Directors at a reduced cost or no cost at all. During the fiscal years 2008 and 2007, there were no significant related party transactions.

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### SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### **COMMITMENTS** 3.

SACTO has a noncancellable operating lease for its office facility that expires November 30, 2009. Future minimum rental payments under this lease are as follows:

Year Ending	
June 30,	
2009	156,643
2010	65,268
	\$ 221,911

Rent expense for the years ended June 30, 2008 and 2007 totaled \$158,775 and \$158,856, respectively.

### Line of Credit

SACTO has a letter of credit agreement with a bank. The loan agreement allows for borrowings of \$9,480 and is unsecured. Amounts borrowed under the loan are due August 1, 2008. Interest on amounts borrowed is at the bank's index rate plus 3 percentage points. SACTO has made no borrowings under this arrangement.

#### RETIREMENT PLAN 4.

SACTO has a discretionary defined contribution plan which covers regular employees who have attained the age of 21 and have performed services for the organization for one year. For qualified employees who make elective deferrals, SACTO makes a matching contribution up to 4% of the individual's salary. Employees are 100% vested in employer contributions. Additionally, the employee may elect to defer up to 15% of their annual compensation, subject to certain limitations. Employer contributions to these accounts for the years ended June 30, 2008 and 2007 were \$24,068 and \$23,367, respectively.

### OFFICERS & BOARD OF DIRECTORS

### **OFFICERS**

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Jeffrey M. Koewler Managing Partner Downey Brand Attorneys LLP

### CHAIR-ELECT

Toosje Koll Managing Director Resources Global Professionals

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Michael Newell Regional Manager HP Hood LLC

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DEVELOPMENT Gail I. Gebhardt

Vice President, Operations **CEMO Commercial** 

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Deborah L. Aspling Senior VP / Area Manager Kaiser Permanente

Debra Augustine CEO / Executive Creative Director Augustine & Associates

Lori Bluett Executive Director Panattoni Development Company, LLC

Jack Crawford, Jr. General Partner Velocity Venture Capital, LLC

Robert D. Dean Executive VP / Area Managing Director Grubb & Ellis Company

Brad Des Jardin President / CEO DesCor Builders, Inc.

Peter C. Drozdoff Vice President, Marketing & Sales SureWest

Scott Garawitz General Manager Thunder Valley Casino

Steven K. Green Senior Vice President Farmers & Merchants Bancorp F&M Bank

Mitchell J. Hanna Chief Administrative Officer Sutter Auburn Faith Hospital

Richard A. Henry President, Northern Pacific Division McCarthy Building Companies, Inc.

Elaine Keane Director of Marketing Pacific Coast Building Products, Inc.

Steven J. Nichols Northern Region Service & Sales Director Pacific Gas and Electric Company

Mark O'Leary Regional VP of Business Services Comcast

David P. Parkes President, Pacific Division Flintco, Inc.

William A. Purdy, Jr. VP and President, Real Estate GenCorp, Inc.

Daniel F. Ramos Vice President RAMCO Enterprises, Inc.

Peter C. Thompson PartnerRubicon Partners, Inc.

> Jonna Ward President / CEO Visionary Integration Professionals, LLC

Tim Yamauchi Chief Financial Officer PRIDE Industries

### **DESIGNATED DIRECTORS**

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Honorable Norma Santiago Supervisor, District 5 County of El Dorado

Honorable Kirk Uhler Supervisor, District 4 County of Placer

Honorable Don Nottoli Supervisor, District 5 County of Sacramento

Honorable Stan Cleveland Supervisor, District 2 County of Sutter

Honorable Matt Rexroad Supervisor, District 3 County of Yolo

Honorable John Nicoletti Supervisor, District 2 County of Yuba

Steve Bernard Vice President, Advertising The McClatchy Company / The Sacramento Bee

Larry R. Booth President / COO Frank M. Booth, Inc.

Brian H. Strom Retired. Former CEO SureWest

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Larry Carr Director, Ward 6 SMUD Board Office

Dr. Alexander Gonzalez President California State University, Sacramento

Dr. Nicki Harrington ChancellorYuba Community College District

Dr. Brice W. Harris ChancellorLos Rios Community College District

John A. Lambeth President Downtown Resources

Narendra 'Pat' M. Pathipati Executive VP / CFO Teichert, Inc.

Dr. Larry N. Vanderhoef ChancellorUniversity of California, Davis



 $Sacramento\,Area\,\,Commerce\,\,and\,\,Trade\,\,Organization$ 

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